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SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS 02/24/06

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3) Prime Minister's Official Residence (Kantei)

Prime Minister's schedule, February 23

NIHON KEIZAI (Page 2) (Full)
February 24, 2006

11:00

Met at Kantei with LDP lawmakers from Okinawa, including Lower House member Seiji Nakamura, joined by former defense chief Ishiba. Met afterwards with Land, Infrastructure, and Transport

Ministry Policy Bureau chief Takekura, Fair Trade Commission Secretary General Uesugi, and Assistant Deputy Chief Cabinet

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Secretary Saka.

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12:41
Met with Vice Administrative Vice Defense Minister Moriya.

14:30
Met with LDP FTA/EPA Committee Chairman Yatsu.

15:22
Met Japan Post President Ikuta.

16:35
Met with Deputy Chief Cabinet Secretary Futahashi.

17:30
Attended a meeting of the Council on Economic and Fiscal Policy.

19:18

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Dined with CEFPP members from the private sector, Homan and Yoshikawa.

21:16
Returned to his official residence.

4) Prime Minister Koizumi has no intention to revise government's Futenma relocation plan

SANKEI (Page 5) (Full)
February 24, 2006

Prime Minister Junichiro Koizumi met yesterday with five Diet members of the Liberal Democratic Party (LDP), including House of Representatives member Seiji Nakamura, all of whom were elected from Okinawa. In the meeting, Koizumi told the lawmakers that he had no intention to revise the government plan to relocate the US Marine Corps Futenma Air Station (Ginowan City, Okinawa Prefecture) to the cost of Camp Schwab (Nago City, Okinawa).

5) Nago City mayor, Okinawa Prefecture react sharply to Prime Minister's rejection of revision of relocation site for Futenma: "We'll go with the government's plan"

RYUKYU SHIMPO (Page 1) (Excerpt)
February 24, 2006

With Prime Minister Junichiro Koizumi's rejection of any revision of the plan to relocate the US Marine Corps' Futenma Air Station to the coastal portion of Camp Schwab by saying yesterday, "I would like to go with the government's plan," Nago City Mayor Yoshikazu Shimabukuro last evening reacted strongly, saying: "The prefecture, the city of Nago, and local residents all are unconvinced. Since the local community and the city government have continued to state that we cannot accept the plan as is, what in the world is he (the prime minister) thinking?"

6) MSDF info leak: Data control found lax, serious repercussions likely

YOMIURI (Page 2) (Abridged)
February 24, 2006

The recent Internet leakage of the Maritime Self-Defense Force's in-house files, including confidential documents, has exposed the government's lax management of information regarding national security. The Defense Agency remains unable to gauge the incident's possible impact. Prime Minister Koizumi yesterday told the Defense Agency directly to take preventive steps. The government is taking this problem seriously.

The Defense Agency categorizes its in-house materials under the three-stage precedence of "top secret" (kimitsu), "strictly secret" (gokuhi), and "secret" (hi).

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The materials leaked this time are less confidential data falling under the "secret" category, a Defense Agency official says. Those materials include a listing of call signs used to identify Maritime Self-Defense Force vessels. "The MSDF will not be affected, because its vessels use different call signs in everyday operations," an MSDF staff officer at the Defense Agency said. The officer added, "We're now looking into the incident's

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repercussions, but it's very difficult to find out which units will be affected."

"We must have impeccable information security for Japan's national security," Defense Agency Director General Nukaga stated in a House of Representatives plenary session yesterday afternoon. With this, Nukaga stressed that the agency would do its utmost to establish an information security system. The agency has set up an investigative committee to study specific countermeasures.

Meanwhile, Koizumi called in Takemasa Moriya, administrative deputy director general of the Defense Agency, to his office yesterday afternoon. "This incident will cause the government to lose public confidence," Koizumi told Moriya. The premier also told Moriya to work out preventive measures for thoroughgoing information management.

7) 4-nation talks to be held today on Samawah pullout

MAINICHI (Page 2) (Slightly abridged)
February 24, 2006

The governments of four countries-Japan, the United States, Britain, and Australia-will hold a meeting of working-level officials for foreign affairs and defense today in London to discuss the planned withdrawal of Ground Self-Defense Force troops currently deployed in the southern Iraqi city of Samawah, as well as the pullout of British and Australian troops. Japan, Britain, and Australia have decided to withdraw their troops by the end of May. Their troop withdrawal is expected to begin in March if the United States' understanding is obtained.

In Iraq, the timetabled establishment of a new government will likely be delayed into April or afterward. However, Japan, Britain, and Australia will withdraw their respective troops before Iraq establishes a permanent government, explaining that the political process in Iraq is underway. Japan will continue to engage the Air Self-Defense Force in airlift missions between Kuwait and Iraq, whereby Japan would like to obtain the United States' understanding for its planned withdrawal of GSDF troops.

8) 'Secret deal' on Okinawa reversion denied at Kono's request:
ex-official

ASAHI (Page 1) (Abridged)
February 24, 2006

In 1972, the United States returned Okinawa to Japan. In those days, the US government was supposed to pay 4 million dollars to restore the island prefecture's base land to its original state. Japan, however, made a secret deal with the United States to shoulder the cost. In 2000, US records verifying pact were discovered. At the time, Bunroku Yoshino, 87, who was the then director general of the American Affairs Bureau at the Foreign Ministry and was in charge of negotiations with the US government, told the Asahi Shimbun that Yohei Kono, the then foreign minister and current House of Representatives speaker, asked Yoshino to deny the pact. "Anyway, we had only to have the agreement ratified," Yoshino said, adding: "Get it over with and

forget it. That's the kind of feeling I had. I thought to forget all about it."

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Yoshino retracted his previous testimony in an Asahi Shimbun interview early this month and admitted to the secret deal. Later on, the Asahi Shimbun interviewed him twice. In the interviews, he revealed Kono's request to deny the deal.

In 2000, Masaaki Gabe, a professor at the University of the Ryukyus, and the Asahi Shimbun obtained US documents, one of which quotes Yoshino as saying the Japanese government will "secure" 4 million dollars, which, according to the Okinawa reversion agreement, the US government was supposed to pay on its own initiative. The document was signed by Yoshino and US Minister to Japan Snider from the US embassy in Japan.

Yoshino, according to his own account, received a telephone call from a Foreign Ministry official after the secret deal made the news. The official then asked Yoshino to deny the secret agreement if asked about it in press interviews, Yoshino told the Asahi Shimbun. Former Foreign Minister Kono also called Yoshino and asked him to do so.

Kono later met the press and reiterated his predecessors' parliamentary remarks. In 2002, another US government official document endorsing the secret agreement was discovered. Foreign Minister Kawaguchi at the time stated before the House of Councillors Budget Committee that Kono had directly confirmed this with Yoshino. With this, Kawaguchi, based on Yoshino's testimony, denied the secret pact. With his testimony this time, the government has lost its grounds for its Diet reply.

"Anyway, it was important to get the agreement ratified," Yoshino said. "I thought to forget all about it because I thought that I wouldn't feel guilty," he added.

9) Chief Cabinet Secretary Abe rebuts Russia over criticism of Aso's comment

SANKEI (Page 5) (Full)
February 24, 2006

The Russian Foreign Ministry released a statement that Japanese Foreign Minister Taro Aso's comments on Japan-Russia relations were "interference in internal affairs." In that context, Chief Cabinet Secretary Shinzo Abe stated in a press conference yesterday: "Foreign Minister Aso made a comment based on Japan's claim that the four northern territories belong to Japan. The Russian government's criticism is wrong."

Foreign Ministry European Affairs Bureau Deputy Director General Tsuyoshi Yagi told the Russian minister to Japan on the phone,

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"Since Russia's claim is utterly wrong, we cannot accept it." The minister then responded, by saying, "I will convey your claim to my home country."

10) China differentiates treatment of ruling-party delegation to China from pro-Chinese Nikai; No high-level official responds; Checks post-Koizumi contenders

MAINICHI (Page 5) (Full)
February 24, 2006

The ruling parties' delegation to China, including Liberal

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Democratic Party Policy Research Council Chairman Hidenao Nakagawa, returned home yesterday. The delegation in talks with key Chinese government officials and members of the Communist Party found common ground on the need to repair the strained

bilateral relations. The Chinese side, however, maintained the position that settling the Yasukuni Shrine issue should be the precondition for mending ties. Economy, Trade, and Industry Minister Toshihiro Nikai happened to be separately visiting China around the same time. In selecting partners for talks with ruling-party delegation members and Nikai, the Chinese side sent officials of different ranks to the two separate meetings. It thus appears that it wanted to send a message to post-Koizumi contenders, including Chief Cabinet Secretary Shinzo Abe, that it will not give in on the Yasukuni issue, through Nakagawa, who will play a role in the post-Koizumi race.

During a meeting of the Japan-China Ruling Party Exchange Council, the main event in the delegation's visit to China, Nakagawa stated, "Our two countries need to focus more on common areas than differences, placing a priority on common interests." He thus noted that if the two countries stick to the Yasukuni issue, interests that are more important for both countries would be lost. "Common interests" was the key phrase for the delegation.

The Chinese side indicated understanding of common interests, but it reiterated that differences in views of the two countries on the Yasukuni issue are not minor. Chinese Foreign Ministry Spokesman Liu Jianchao also pointed out: "If the Japanese side has illusions on this issue, it will not suit the improvement and development of bilateral relations."

The partners of the talks were also disappointing for the Japanese side. Japan wanted to meet Wo Bangguo, chairman of the Standing Committee of the National People's Congress, and Vice President Zeng Qinghong. However, the delegation found it impossible to make arrangements for talks with either of them. A meeting with Foreign Minister Li Zhaoxing was also canceled that day. On the other hand, Premier Wen Jiabao (who ranks third in the Communist Party) met Nikai. Another delegation consisting of members of seven Japan-China friendship organizations, including Ryutaro Hashimoto, which is scheduled to visit China in late March, is expected to meet with President Hu Jintao. Thus, the gap in the treatment is clear.

Giving up on repairing the deteriorated relationship while Prime Minister Junichiro Koizumi is in power, China has begun to envisage a strategy toward Japan in the post-Koizumi era. The Chinese side was, therefore, motivated by the desire to give priority to the Japan-China Ruling Party Exchange Council as a setting for it to directly indicate basic conditions for mending the bilateral relations.

As if to endorse this, Feb. 23 edition of Chinese dailies, such as the People's Daily, elaborately reported the contents of discussions with members of the Exchange Council rather than the contents of the talks between Wen and Nikai. Wang Jiarui, director of the Chinese Communist Party's International Liaison Department, during the meeting said: "The key to finding a breakthrough in the stalemate is for Japanese leaders to stop visiting Yasukuni Shrine. They should have political wisdom and courage." His statement was directed at post-Koizumi contenders.

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China during an internal meeting held late last year confirmed that the Yasukuni issue is a serious one concerning principles and that China will not compromise. At the same time, it also came up with a stance that once that issue is settled, it would be possible to resume top-level exchanges. The meeting with members of the Exchange Council can be characterized as a setting for the Chinese side to convey this policy to the Japanese side.

China believes that Nakagawa will continue to play a key role in the post-Koizumi era. It apparently wants to use the Exchange Council as a starting point in building a new channel with Japanese political circles.

11) Japan, China agree to set up combined organ to dispose of chemical weapons abandoned by the former Japan Imperial Army

NIHON KEIZAI (Page 2) (Full)
February 23, 2006

The Japanese and Chinese governments as of Feb. 22 have basically agreed to a plan to establish in the near future a "Japan-China Combined Organization" (tentative name) to jointly carry out the disposal of chemical weapons abandoned in China by the former Japan Imperial Army during World War II. The two governments agreed to a five-year extension on the current deadline of April 2007 to dispose of the weapons, and, based on local surveys, to revise downward the estimated number of buried shells from approximately 700,000 to a new figure of between 300,000 and 400,000.

12) Minshuto recognizes China as threat to Japan

SANKEI (Page 5) (Excerpts)
February 24, 2006

The main opposition party Minshuto (Democratic Party of Japan) approved in principle a basic view on China in a meeting yesterday of its foreign policy and defense department. The view finds it inevitable that China's military buildup and its moves to line up marine interests " from the viewpoint of the Japanese people are recognized as an actual threat to Japan " The largest opposition party also criticized the "intent" of the Chinese government for carrying out "words and actions that repeatedly threaten Japan's sovereignty." Those views are likely to be included in a "Maehara Vision" on foreign policy and security policy, which will be issues before the end of the ongoing Diet session.

The basic view titled, "For Stable Cooperative Relations with China," points out that military threats rise to the surface with there is a linkage of "capabilities" and "intention." The view states that since there is a good reason for Japanese people to feel a Chinese military threat, the party should seriously take public concern about China's military actions.

Outline of Minshuto's view on China

China has rapidly moved forward with modernization of its military power by adding a fourth generation fighter aircraft, submarines and destroyers, in addition to nuclear weapons and ballistic missiles that can reach Japan.

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There is a good reason for many Japanese people to feel a threat to China's military buildup. The Democratic Party of Japan takes seriously public concern about China's military activities.

The Chinese government has repeatedly in its words and actions threatened our country's sovereignty in terms of "its intention" such as the development of maritime resources based on its own assertion of sovereignty over the Senkaku Islands (Diaoyu Islands in Chinese), the Okinotorishima islands and the median line between Japan and China.

If China strongly insists its own claims backed by its military "capability," Japan-China relations will unavoidably become tense. It is inevitable that the Japanese public takes such a situation as an actual threat.

13) E-mail caper -- Minshuto Nagata: "Acted on my assumptions," apologizes and takes rest, but his resignation put off

MAINICHI (Top Play) (Full)
February 24, 2006

Democratic Party of Japan (Minshuto) member Hisayasu Nagata, 36, expressed his intention to resign as a Diet legislator after he failed to prove his allegation that former Livedoor President Takafumi Horie had instructed one of his employees to wire 30 million yen to the second son of Liberal Democratic Party

Secretary General Tsutomu Takebe. In response to this

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development, the opposition party urgently called an executive committee meeting last night to discuss whether to accept the resignation. The party decided in the meeting to tell Nagata to rest for a while. This means that the party leadership has chosen to delay its decision on his immediate fate. Secretary General Yukio Hatoyama quoted Nagata as saying: "I acted on my assumption. I offer an apology to the people and the party." He thus admitted it was a mistake for him to have taken up the issue at the Diet and expressed his regret. The party executive expects to see the situation calm down with Nagata's taking a rest. Some Minshuto members, however, have questioned party leaders' responsibility over the E-mail furor. The opposition party has unprecedentedly been thrown into confusion.

Appearing on a TBS program last night, Hatoyama said: "Not only Mr. Nagata but even the party leaders who believed the credibility of the e-mail, including me, have to feel responsible."

Last evening, Hatoyama and Diet Affairs Committee Chairman Yoshihiko Noda met with Nagata at a Tokyo hotel. Although Nagata had expressed his intention to resign when he met Noda on the night of Feb. 22, he reportedly said yesterday changed his mind. Hatoyama explained about Nagata's state of mind to reporters after the executive committee meeting last night: "He is in emotional turmoil. He is now in quite an unstable state in part from lack of sleep." The party leaders cannot figure out Nagata's real feelings. Hatoyama suggested that the party would take time in making a judgment. Some observers speculate that party leaders might be worried that an acceptance of Nagata's resignation might lead to the issue of their own culpability.

In its emergency executive committee meeting yesterday morning,

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the party decided to leave to Hatoyama the decision on whether to accept Nagata's resignation. Speaking to reporters last evening, Noda ruled out the possibility of his resignation, saying: "It is our responsibility to make utmost efforts to uncover the details of the allegations involving Livedoor and persons close to Mr. Takebe." But it is uncertain whether the party executive would be able to calm down growing criticism against it over the clumsy responses taken after Nagata brought up the topic in the Diet and following Nagata's admission of his error.

In a House of Representatives Budget Committee meeting on Feb. 16, Nagata took up the e-mail issue but refused to table evidence, such as who was the sender, citing the need to protect the identity of the information provider. In reaction, questions were being raised about the authenticity of the e-mail from among LDP members. In the party head debate on Feb. 22, as well, the Minshuto head failed to present new evidence. (TN: Articles in weekly magazines have identified the sender as a freelance journalist with a spotty reputation for scandalous stories in tabloids.)

Nagata hospitalized

The Minshuto spokesman announced last night that Nagata was hospitalized in Meguro Ward, Tokyo. An executive member commented: "He is suffering from extreme stress."

14) Confusion in Minshuto (Democratic Party of Japan) likely to be prolonged, with no one to replace Maehara; Ozawa, Kan, other leaders shy away from setting foot in minefield?

NIHON KEIZAI (Page 2) (Excerpts)
February 24, 2006

The fury in Minshuto over the alleged Livedoor e-mail is likely to turn into a call for the resignation of the party leadership, including President Seiji Maehara. Members of each group in the party have taken the position of not holding the party leadership

to account, apparently to avoid a destructive blow to the party, but their true desire is to avoid setting foot in a minefield, given the party is attempting to recovering from its crushing defeat in the Lower House election last year. However, their avoidance of doing so due to the difficulty in finding someone to replace (Maehara) will only help prolong the confusion.

"The leadership has the responsibility to do our utmost to find out the truth of the suspicions involving Livedoor and aides to Liberal Democratic Party (LDP) Secretary General Tsutomu Takebe," Yoshihiko Noda, chair of the Minshuto Diet Affairs Committee yesterday stressed to reporters in the Diet.

The party executives intend to continue their pursuit of allegations that Livedoor offered money to Takebe's second son. They want to avoid a resignation of the leadership triggered by Hisayasu Nagata's resignation as a Diet member.

Ichiro Ozawa and Naoto Kan, former party vice presidents, and others who have kept their distance from the leadership are taking a wait-and-see attitude, thinking that driving the leadership into a corner at this point could deepen the wound.

15) "Horie e-mail" draws outcries from Minshuto local chapters;

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Maehara's responsibility splits local reactions

ASAHI (Page 39) (Excerpts)
February 24, 2006

Minshuto (Democratic Party of Japan) lawmaker Hisayasu Nagata's sudden announcement yesterday that he would resign over the alleged "Horie e-mail" sent shockwaves through the party's local chapters, leading to such comments as, "The problem will not end with his resignation," and "If there is no hard evidence, he has no other option but to resign." Nagata's announcement split party members. Many also began questioning the responsibility of party head Seiji Maehara and other executives. The largest opposition party has gone down a self-destructive course after intensifying its offensive against the ruling coalition over the Livedoor and earthquake-resistance data falsification scandals and other matters. "We have been thrown into the abyss of despair," lamented a senior member of a prefectural chapter scheduled to face a by-election in April.

"How could he do such a thing?" blasted Osaka Chapter Secretary General Kenji Tomita, obviously unable to conceal his irritation. The chapter is scheduled to open a political school for the general public next month with the aim of expanding the party's support base for the unified local elections in spring 2007.

Tomita feared that the e-mail in question would prompt the public to call for a Lower House dissolution. "He should have posed questions based on hard evidence. He should of course fulfill his responsibility, but he won't be able to do so if there is no solid evidence." Tomita thinks Nagata has no choice but to resign.

Shizuoka chapter Policy Research Council Chairman Masao Iwata noted: "He took up a groundless matter at the Diet and threw the party into turmoil. He cannot avoid taking the blame for it."

Secretary General Yuichi Sakano of the Toyama chapter also said:

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"We must respect Mr. Nagata's decision to resign. Besides, Minshuto lawmakers have caused enough scandals, such as drug abuse and allowing an aid to conduct legal activities without a license. All those scandals have had negative impacts on activities of prefectural chapters."

Some think Nagata's resignation will hurt the party's image even more. One of them is the Fukuoka chapter's Ryohei Sukenobu, who said:

"His resignation at this point would amplify public disappointment with Minshuto. Resigning means that the e-mail was bogus, and that would cause President Maehara to lose face as well."

Maehara's responsibility splits local organizations

Local chapters are also split over Maehara's course of action.

Representative Yasuo Ichikawa of the Ishikawa chapter expressed opposition to Maehara's resignation, saying: "The Diet is in session, and Mr. Maehara should fulfill his responsibility. The party should continue seriously investigating possible ties

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between the LDP and Livedoor."

Sharing Ichikawa's view, Kenji Narumi of the Ehime chapter also commented:

"I would like to see Mr. Maehara continue urging the Diet to exercise its investigative powers to prove the authenticity of the e-mail. This will help clean up the political world."

Kyoto's Soichi Utsunomiya took this view:

"There was a party-head debate, and Mr. Maehara is not totally blameless. But he should not resign. It's not good for party executives to change all the time."

Some are not so lenient toward Maehara's responsibility. Kazuo Takamatsu, an assemblyman in Akita, said in a strong tone:

"Minshuto has blown itself up, exposing a lack of leadership. All those political stunts and the race for fame have also exposed the foolishness of Diet members. Mr. Maehara allowed Mr. Nagata to raise that question in the Diet, knowing Lower House dissolution would follow. Mr. Maehara's responsibility is grave."

16) Minshuto lacking crisis management ability

MAINICHI (Page 2) (Excerpts)
February 24, 2006

By Shinya Tokumasu

Lawmaker Hisayasu Nagata yesterday apologized to senior members of Minshuto (Democratic Party of Japan) for the Horie e-mail issue. His apology has proved the alleged Horie e-mail not to be authentic. The case is likely to close with a poor result one week after Nagata's bombshell in the Lower House Budget Committee.

The more closely the e-mail was scrutinized, the more questions cropped up. First, Nagata did not directly interview the person believed to be the source of information. He relied solely on information from his friend, a freelance journalist, thereby making his pursuit of the issue somewhat weak. According to a government source, Prime Minister Junichiro Koizumi, based on highly reliable information, concluded that the e-mail in question was bogus.

Party members who knew of the e-mail issue before it was brought up in the Diet were Nagata and only a few party executives, including President Seiji Maehara and Diet Policy Committee Chairman Yoshihiko Noda. Even Secretary General Yukio Hatoyama was reportedly left out of the loop. Noda, who had allowed Nagata to pursue the issue in the Diet, had expressed his expectations before his questioning in the Diet. Maehara continued to be protective of Nagata even after questions began to be raised, insisting: "It's highly reliable." As a result, he helped bring about a bigger blow to the party. The most serious problem is that the Maehara-led leadership was unable to verify the email, exposing its lack of crisis management capability and its immature Diet response.

In 1983, former House of Representatives member Yanosuke Narazaki

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of the then Social Democratic Federation caused confusion in the Diet by saying that the Self-Defense Forces (SDF) were planning a coup at the Lower House Budget Committee. The case this time seems as though it will end up the same way.

After its crushing defeat in the Lower House election last September, Minshuto has been trying to rebuild itself under the leadership of its young President Maehara, 43. But the nation's largest opposition parties have seen internal strife and divisions since the collapse of the 1955 political system, which involved the LDP and the Japan Socialist Party. On the other hand, in the LDP, where cohesive power lies in holding the reins of government, Prime Minister Koizumi has overcome difficulties by confronting the so-called forces of resistance in the party. But the opposition parties tend to split every time a conflict occurs.

Nagata offered an apology to party executives, but he has not made any explanation at all not only to the party leadership but also to the public. In addition, the question of who is responsible has been put aside. The party appears to be in hopeless confusion. A veteran DPJ House of Councillors member remarked: "Nagata seems confused, but the party itself is confused. They don't understand what is the problem."

17) Police raids last year net a record 47,874 crimes involving foreigners; Organized crimes also increase with 72% rate of joint criminal activities

NIHON KEIZAI (Page 3) (Full)
February 24, 2006

The National Police Agency yesterday released crime statistics for 2005 revealing that the number of crimes committed by foreigners (not permanent residents) as netted in nationwide crackdowns reached 47,877 incidents, up 1.6% from the previous year. This is the highest figure since such statistics have been kept starting in 1980. The number of criminals rounded up was down 3.0% to 22,179 persons.

The portion of jointly committed crimes rose 6 points last year to 72.6%, the highest since such statistics were started in 1990. This is much higher than the percentage of joint crimes by Japanese (16.9% last year), indicating clearly that foreigners tended to be involved in organized crimes.

Raids for special legal crimes such as violations of immigration law were down 1.4% last year to 14,833. Such felony crimes as murder or armed robbery were down 9.0% to 314, but burglaries, such as breaking into residences, were up 16.3% to 8,145 cases, and auto thefts were up 23.0% to 1,078.

Chinese made up the largest number, 41.0%, of those arrested, based on nationality, or a total of 8,689. South Koreans made up 9.6%; Philipinos, 8.4%, and Brazilians, 6.1%;

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